



Memo

Date: August 19, 2009

To: Elaine Vincent, Legislative and Administrative Services Manager

From: Russ Pye, Inspections, Enforcement and Building Supervisor

Re: **Professional Building Lease Renewal**

Background:

In February 2009, Council approved the lease and necessary budget for office space in the "Alexander Way" Building on 48 Street which involves the relocation of the Community Services to the newly leased space and Tax and Assessment Departments to the 4th floor of City Hall. Additionally, the intended plan was to consolidate HR staff currently housed in the Alexander Way offices under one roof in the Professional Building. In order to do this, the lease for the professional Building needs to be renewed.

Discussion:

The current lease at the Professional Building expires on September 30, 2009 and negotiations were commenced with the Leasing Manager to secure an additional 3 year term on the existing lease.

The overall cost to The City would be 11% less than the current market rate based upon surveys done by the Land and Economic Development Department; the lease includes some savings in 2009 and 2010 but increased cost in 2011 and 2012. These increases reflect the cost of not only rent but also use of the common areas and parking.

Recommendation:

That City Council authorize the City Manager to negotiate and re-enter into a lease agreement for 8,000 sq ft +/- of office space in the Professional Building by authorizing an additional \$15,112.65 in the 2011 base budget for the building lease and a further \$17,826.75 in the 2012 base budget

Russ Pye
Inspections, Enforcement and Building
Supervisor

Arminnie Good
Land Services Specialist

Attach

- c. Paul Goranson, Director of Development Services
- Lorraine Poth, Director of Corporate Services
- Paul Meyette, License and Inspections Manager
- Dean Krejci, Financial Services Manager
- Marge Wray, Personnel Manager

Comments:

We support the recommendation of administration.

“Morris Flewwelling”
Mayor

“Craig Curtis”
City Manager

Council Decision – August 24, 2009

DATE: August 25, 2009
TO: Russ Pye, Inspections, Enforcement and Building Supervisor
FROM: Frieda McDougall, Deputy City Clerk
SUBJECT: Professional Building Lease Renewal

Reference Report:

Inspections, Enforcement and Building Supervisor, dated August 19, 2009

Resolution:

"Resolved that Council of the City of Red Deer after considering the report from the Inspections, Enforcement and Building Supervisor dated August 19, 2009 Re: Professional Building Lease Renewal, hereby authorizes the City Manager to negotiate and re-enter a lease agreement for 8,000 sq ft +/- of office space in the Professional Building at 4808 – 50 Street Red Deer, by authorizing an additional \$15,113 in the 2011 base budget for the building lease and a further \$17,827 in the 2012 base budget."

MOTION CARRIED

Report Back to Council: No



Frieda McDougall
Deputy City Clerk

cc: Development Services Director
Corporate Services Director
Inspections & Licensing Manager
Land & Economic Development Manager
Financial Services Manager
Land Services Specialist, Arminnie Good
Land Services Specialist, Liz Soley
Financial Analyst
Land Coordinator